

EXHIBIT L

Designation of Deposition Testimony of William Misterovich

WILLIAM MISTEROVICH
July 14, 2014

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1 UNITED STATES BANKRUPTCY COURT
2 EASTERN DISTRICT OF MICHIGAN
3 SOUTHERN DIVISION
4
5 _____
6 In re:) Case No. 13-53845
7 CITY OF DETROIT, MICHIGAN)
8) Chapter 9
9 Debtor)
10 _____) Hon. Steven W. Rhodes

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12 ROUGH DRAFT
13 The Deposition of WILLIAM MISTEROVICH,
14 Taken at 21777 Dunham Road,
15 Clinton Township, Michigan,
16 Commencing at 10:28 a.m.,
17 Monday, July 14, 2014,
18 Before Melinda S. Moore, CSR-2258.

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1 Q. And did that dispute eventually lead to
2 litigation in the Feikens case?

3 A. I don't believe so.

4 Q. You do or --

5 A. I don't.

6 Q. Did you or anyone else at Macomb ever complain
7 about the cost of the repairs?

8 A. Sure.

9 Q. And do you recall who you complained to?

10 A. Each other.

11 Q. Did you ever complain to anyone at Detroit or --

12 A. I think comments were made back and forth, and as
13 this event unfolded and construction took place
14 and repair was made, we were having meetings with
15 DWSD on other issues. We were meeting on a
16 regular basis every week or every two weeks. And
17 so the subject of repair would come up in the
18 course of those conversations. I can't give you a
19 date or time or exactly who was there, but we made
20 known the fact that we considered the cost that
21 was being incurred to be quite high.

22 Q. Did you ever get a response from DWSD? Do you
23 know who responded on DWSD?

24 A. No, I can't give you a name.

25 Q. Did anyone ever -- at DWSD, whether or not you

1 remember the name, say, no, these aren't too
2 high?

3 A. That was the general response from DWSD, is that
4 the costs that they were incurring were valid,
5 bona fide and accurate.

6 Q. Do you know if anyone from the grand jury -- or
7 anyone from Macomb was ever questioned by the
8 grand jury?

9 A. Not to my knowledge.

10 Q. Or the FBI or U.S. Attorney's Office?

11 A. I don't believe anybody from Macomb County was
12 contacted, but I can't say for sure.

13 Q. At some point did you find out that the U.S.
14 Attorney's Office was investigating potential
15 wrongdoing in the City of Detroit by the
16 Kilpatrick administration?

17 A. Yes, I learned of that through newspaper reports
18 of the proceedings.

19 Q. Didn't know prior to the newspapers?

20 A. No.

21 Q. Other than the folks indicted -- I think Mercado
22 and Miller, Kilpatrick, Ferguson are the ones I
23 recall -- are you aware of whether anyone else at
24 DWSD or anyone at DWSD was aware of this
25 wrongdoing? Did you ever speak to anyone at DWSD

1 being pretty much Jacobs and Walter?

2 A. Right.

3 Q. I don't think we've marked in this particular

4 litigation that OMI acquisition agreement, but it

5 was entered into or executed in 2009; this one,

6 in 2010. Why did it take so long for this one?

7 A. I think the primary reason was the concern or

8 discussions over the purchase price. In the OMI

9 agreement, it basically was a wash. There were no

10 funds exchanged between OMI and the City of

11 Detroit, as opposed to the MID agreement, which we

12 had costs that in the end that added up to over

13 \$90 million

14 Q. Let's met show you what's been marked Hupp

15 Exhibit 4 and I'll ask if you can tell us what

16 that is.

17 A. This is the computation of purchase price of the

18 MID facilities.

19 Q. And two items -- I'm looking at "CS-1368 2005

20 repairs, \$54,467,200." Do you see that?

21 A. Yes.

22 Q. Was there any discussion during the negotiations

23 about the cost of those repairs?

24 A. There was some discussion about the cost.

25 Q. Do you recall what that discussion was?

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1 A. Just in general terms, Macomb County felt the
2 numbers were high and Detroit assured us they were
3 accurate.

4 Q. And by accurate, Detroit indicated this is what
5 it paid for the repairs?

6 A. Yes.

7 Q. Was there any discussion that you can recall
8 about the reasonableness of the costs?

9 A. Again, just in general terms.

10 Q. What general terms were those?

11 A. Macomb County felt the figures were high and
12 Detroit continued to assert that the numbers were
13 valid.

14 Q. Okay. What about the \$17,050,000, about 80% of
15 the way down the document, that global
16 settlement, what does that represent?

17 A. The 17 million was one of the items covered in the
18 global agreement dated 2009, and it represented a
19 credit to Macomb County for all of the costs that
20 were -- that are reflected in this Schedule 3.8.

21 Q. At one point was the system debt at something
22 like 116 million?

23 A. I don't recall it being quite that high.

24 Q. What do you recall? I see there's a 110.

25 A. Yes, that's the number I remember.